



2607 SB # 11
SG

J.A. HINES

STATE REPRESENTATIVE • 42ND ASSEMBLY DISTRICT

Testimony on SB 11

Senate Committee on Economic Development, Job Creation, Family Prosperity and
Housing

I want to thank Chairperson Lassa and the Committee for hearing SB 11 this morning. The bill is short and very straightforward so I will keep my comments brief.

Currently in Wisconsin, if an individual wishes to purchase a timeshare they purchase an interest in a specific property. SB 11 would allow individuals to purchase a timeshare license, often referred to as "right-to-use" timeshare. A timeshare license essentially allows the person to purchase a block of time without having any direct ownership in a specific property.

Wisconsin is the only state in the nation that does not permit the sale of timeshare licenses. Passage of this bill will immediately make our state a more attractive place to vacation for many who may have chosen other destinations in the past. It will also increase the number of timeshare developments in the state leading to a direct increase in jobs and will have a positive impact on the state and local economies.

I want to be perfectly clear that SB 11 is not a redraft of the bill dealing with the premier resort tax from the previous session. The bill simply permits the sale of timeshare licenses in the state of Wisconsin.

SB 11 has the support of tourism leaders and the timeshare industry and we are aware of no opposition.

I thank the Committee again for its attention to this matter and I urge the members to pass SB 11 as drafted, with no amendments.





February 12, 2007

Senator Julie Lassa
Chair, Committee on Economic Development, Job Creation
Family Prosperity and Housing
Wisconsin State Senate
P. O. Box 7882
Madison, WI 53707-7882

RE: Support of S.B. 11 to be heard on Wednesday, February 14, 2007

Dear Chair Lassa:

The American Resort Development Association (ARDA) is the Washington D.C.-based professional association representing the timeshare, vacation ownership and resort development industries. Established in 1969, ARDA today has more than 1,000 members ranging from privately held firms to publicly traded companies and international corporations with expertise in the shared ownership and use of vacation real estate and related products. Our membership also includes timeshare owner associations, resort management companies, and consumer owners through the ARDA Resort Owners Coalition (ARDA-ROC), as well as an active state group in ARDA-Wisconsin.

We are writing to you in support of your bill, S.B. 11, which will permit the sale of timeshare licenses in Wisconsin. We believe this bill is long overdue as Wisconsin is the only U.S. state that currently or has ever prohibited timeshare licenses. Since the mid-1980s, when a majority of states enacted consumer protection legislation on timeshares, timeshare licenses (also called timeshare uses) have been recognized as a legitimate form of timeshare ownership—except in Wisconsin.

About 22% of all U.S. timeshares are timeshare licenses according to recent ARDA research. And perhaps more importantly, consumer protection measures for timeshare licenses have operated effectively in all the states with timeshare laws or rules. Nearly all states have such laws except about three that have few or no timeshare resorts, such as North Dakota.

We urge the Committee to vote favorably on S.B. 11 and add another desirable alternative to tourism and economic development in Wisconsin. Thank you.

Very truly yours,

Stephany A. Madsen
Senior Vice President

cc: Senator John W. Lehman, Vice-Chair
Committee members: Senator Kathleen Vinehout, Senator Pat Kreitlow, Senator Ted Kanavas,
Senator Alberta Darling, Senator Carol Roessler



JULIE LASSA

STATE SENATOR

SENATOR JULIE LASSA'S SENATE BILL 11 TESTIMONY

Timeshare Licenses

Senate Committee on Economic Development, Job Creation, Family Prosperity and Housing

Wednesday, February 14, 2007

10:00 am

Good morning committee members - thank you for allowing me the opportunity to address you today on Senate Bill 11, related to timeshare licenses. I authored this legislation because Wisconsin is the only state in the nation that still has a prohibition on timeshare licenses.

A timeshare license, often referred to as a "right-to-use" timeshare, allows a timeshare owner to use certain timeshare accommodations, but does not necessarily grant the timeshare holder ownership. The interest may be represented by a contract, lease or interest in a trust. In many cases, the real property will be held in trust for the benefit of the timeshare owners, who pay taxes on the property through association fees.

By permitting the creation of timeshare licenses, Senate Bill 11 will expand the types of timeshare interests that may be developed in Wisconsin, helping to increase the number of tourists who visit and spend their tourist dollars here. This legislation will also increase jobs because of expanded developments and tourist draw. As a result, potential increases in the amount of revenue to local attractions and other businesses from timeshare owners and exchangers, as well as contributions to state and local coffers for infrastructure and other projects, may be realized.

I urge you to support Senate Bill 11 so that Wisconsin will join all 49 other states in a more competitive playing field to better attract consumers who want the flexibility to spend their time share occupancy in more than one location. We possess the scenic beauty and attractions that make Wisconsin an appealing tourist destination.

Thank You.